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ORGANIZED CRIME AGENCY

OF

BRITISH COLUMBIA

Annual Report

2003/2004

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Message from the Chair of the Board

Change and integration have characterized policing in this province over the past few months, particularly for the Organized Crime Agency of British Columbia (OCABC). OCABC is now integrated with the Royal Canadian Mounted Police (RCMP) and municipal police in BC in a new structure called the Combined Forces Special Enforcement Unit—British Columbia (CFSEU—BC).

Under the umbrella of the RCMP, this new structure will remove barriers to collaboration and enhance alliances with other local, regional, national, and international law enforcement partners to launch an even more aggressive fight against organized crime.

As the employer of the OCABC personnel, the Board is committed to supporting staff through the transition by incorporating their health, safety and personal time as a major factor to be considered along with the operational needs of the organization.

As you can see from this Annual Report, in the last year the Agency has continued to engage in enforcement operations where our officers have taken significant quantities of dangerous drugs off the streets of British Columbia as a result of a number of aggressive enforcement projects. Charges have been laid against high level organized crime figures for conspiracy as well as drug trafficking, importation and exportation. Taking the profit out of organized crime by seizing assets is our most effective weapon to disrupt and suppress organized crime. Our officers seized over five million dollars during the last fiscal year.

Over the past year, we have also continued to provide technical support and expertise for our law enforcement partners including the British Columbia Ministry of Provincial Revenue, Federal Department of Fisheries and Oceans, Canada Customs, as well as Delta, Vancouver, Abbotsford and West Vancouver Police Departments.

Intelligence sharing is the cornerstone of integrated policing. We have continued to participate in intelligence gathering and sharing through entering our data into national (e.g., Automated Criminal Intelligence Information System—ACIIS—II and III; National Criminal Database—NCDB) and provincial (e.g., Prime BC) electronic database systems.

As you can see, OCABC is committed to integration and partnerships and it is through this collaboration that law enforcement is gaining momentum in the fight against organized crime.

I would like to thank the provincial government and all our law enforcement partners for their support in making the past year a success for OCABC. I am particularly thankful to the employees of the Agency for their continued dedication and patience during this transition.

Beverley A. Busson, Chair, Board of Governance
Deputy Commissioner Pacific Region and
Commanding Officer "E" Division RCMP

Chief Officer's Message

Over the past year, the collective vision at the Organized Crime Agency of British Columbia (OCABC) has been the disruption and suppression of organized crime which affects British Columbians.

Through an ongoing commitment to meet that vision, our investigators have had to overcome many challenges. Globalization has created a reality where there are no borders for organized crime. Criminal groups have now fused together to conduct multi-commodity criminal activity which far exceeds our enforcement capabilities.

The technology which fuels the legitimate economy also fuels the illegitimate economy. Organized crime has been quick to seize on these advances in technology in the area of identity theft, counterfeit credit card fraud, software piracy, on-line gambling, encrypted communications and money laundering at the touch of a button.

Through the development and maintenance of far ranging partnerships and utilizing an aggressive, intelligence led enforcement program, our investigators have mounted an impressive attack on organized crime within British Columbia and beyond. These investigations have been highlighted by the significant seizures of contraband and the proceeds of crime. To the credit of both investigators and support staff, all of our investigations were completed within budgetary guidelines.

However, the profile of criminality is changing and we must be willing to evolve with it. We must be constantly adjusting our enforcement structures and align our resources to meet those challenges. Remaining in a status quo position is not acceptable if we are to continue the fight against organized crime.

To meet those challenges, we have, over the past year, been developing a new structure to attack organized crime within British Columbia. As a result of extensive consultation with our policing partners, on April 1, 2004, OCABC will combine their resources with investigative teams from the RCMP to create the Combined Forces Special Enforcement Unit—British Columbia (CFSEU—BC). This new unit, which builds on the OCABC model, will provide a seamless, integrated enforcement response to organized crime within British Columbia and beyond.

Strategically, this new CFSEU—BC model is in alignment with the government priorities on integration to remove any policing silos, avoid duplication and balance the economies of scale. This new structure directly links our enforcement efforts with like-minded CFSEU units across this county to provide a multi-jurisdictional response to organized crime.

Tactically, it allows us to continue to bring together various enforcement groups under one structure and to provide a directed response to the emerging criminality posed by outlaw motorcycle gangs and Asian based organized crime groups.

Through operational integration, we will be able to provide ways for personnel, carrying out day to day operations, timely access to the information, resources, expertise, and training they need to accomplish their task. Here, we will leverage technology to our own advantage through electronic surveillance, file management systems (PRIME BC) and the creation of strategic and tactical intelligence products.

Interpersonal integration will build the necessary trust to ensure the timely exchange of information, enshrine a working environment that incorporates flexibility and innovation and ensures creative excellence.

Finally, cultural integration will bring together all of the stakeholders involved in the investigation and prosecution of organized crime, to provide that level of communication, consultation and coordination that are so important in meeting our collective mandate—to disrupt and suppress organized crime within British Columbia.

David H. Douglas
Chief Officer

Introduction

Mandate

As a designated policing and law enforcement agency, OCABC's mandate is:

> *To facilitate the disruption and suppression of organized crime which affects British Columbians.*

Vision

Our vision is:

> *The Agency is an aggressive, professional, and respected team combating organized crime, in partnership with other organizations, through the bold and innovative application of ethical and progressive law enforcement techniques.*

Values

Agency personnel uphold the highest values:

Integrity

> *OCABC personnel shall uphold the highest level of ethical standards and are committed to exercising their duties in a manner that will deserve absolute public trust and bear the closest public scrutiny.*

Honesty

> *OCABC personnel are open and honest in their relationships with clients and stakeholders.*

Responsibility

> *OCABC personnel are dedicated to the fight against organized crime and are committed to their duty to uphold the public interest.*

Accountability

> *Realizing that OCABC is an independent policing agency empowered by the Solicitor General of British Columbia to facilitate the disruption and suppression of organized crime, Agency personnel are accountable to the public through the Board of Governance.*

Professionalism

In striving to exercise their duties objectively and impartially, OCABC personnel strive to maintain the highest standards of policing.

History

OCABC was established as a Designated Policing and Law Enforcement Unit under the *Police Act* (British Columbia) on March 11, 1999.

The structure of the Agency provides for integration of policing of organized crime in British Columbia through a police officer secondment model where investigators from municipal police departments and the RCMP are assigned to our joint forces operations teams for three to five year terms. OCABC also has its own sworn police officers that possess a variety of skills and expertise.

Augmenting this contingent of police officers, OCABC has civilian professionals with broad areas of specialization including intelligence analysis, law, forensic accounting, computer science and foreign languages.

Over the past four years, OCABC has developed strong working relationships with a large contingent of law enforcement partners including Canada Border Services Agency (CBSA; formerly part of Canada Customs and Revenue Agency) and Canada Revenue Agency (CRA; formerly part of Canada Customs and Revenue Agency), Federal Bureau of Investigation (FBI), and the United States Drug Enforcement Administration (DEA), to name a few.

The Agency is in the midst of a transition to increase alignment with RCMP and now receives its funding through the RCMP Provincial Policing budget. The new agency will be called the Combined Forces Special Enforcement Unit—British Columbia (CFSEU—BC) which will be consistent with similar agencies in Ontario and Quebec.

Governance

The Board of Governance comprises representation from the following:

- BC Association of Municipal Chiefs of Police;
- BC Association of Chiefs of Police;
- The Chief Constable of the Vancouver Police Department;
- The Deputy Commissioner Pacific Region and Commanding Officer "E" Division RCMP, is the chair of the Board of Governance.

Operational Outcomes

Strategic Goal #1—Partnerships & Integration

> The Agency will continually identify, develop and maintain partnerships to enhance our ability to suppress and disrupt organized crime.

As you will see in the discussion of our second strategic goal, aggressive enforcement, OCABC officers developed and maintained partnerships with many agencies both domestically and internationally. These partnerships primarily involved collaboration on investigations and sharing of intelligence. Our partners included the Vancouver Police Department, Calgary Police Service, Ontario Provincial Police, CBSA, CRA, various field offices of DEA, US Customs Service, various units and detachments of the RCMP, and California Highway Patrol, to name a few.

Our Technical Services Unit developed and continued to maintain strong partnerships, providing technical assistance and expertise to many agencies. These services ranged from lending sophisticated technical equipment, installing the equipment, and providing witness protection.

These services were provided for our own operational teams as well as for the Ministry of Provincial Revenue, Federal Department of Fisheries and Oceans, Ministry of Land, Water and Air Protection, CRA, CBSA, Abbotsford Police Department, Delta Police Department, Saanich Police Department, Victoria Police Department, Edmonton Police Services, West Vancouver Police Department, and the Justice Institute of British Columbia.

In the spirit of integration and information sharing, our Open Source Section provided assistance to a wide range of policing and regulatory agencies throughout British Columbia as well as to OCABC's partners across Canada and the United States.

Well over 2,000 information responses were provided during the last fiscal year to numerous agencies which recognize the value of open source information as a vital tool in the fight against organized and serious crime.

Strategic Goal #2—Aggressive Enforcement

Based on intelligence, target and prosecute the appropriate level of organized crime.

Project Blizzard

In last year's *Annual Report*, the Agency reported preliminary enforcement results from Project Blizzard's drug conspiracy offences (e.g., cocaine). Currently, there are charges pending against six individuals in British Columbia. Four people have already been convicted in Calgary, Alberta where they received sentences ranging from five and a half years to ten years in jail. In this same project, approximately 20 people have been indicted in the US, many of whom have already pleaded guilty and have cooperated with authorities.

This investigation uncovered heavy trafficking of a variety of drugs. The following is a summary of the total amount of contraband and cash seized during the course of Project Blizzard:

Item Seized	Quantity of Seizure
Cocaine	64.7 kilograms
Heroin	722 grams
Pseudoephedrine	689,000 tablets
Ephedrine	238.3 kilograms
Cannabis marihuana	3,352.8 pounds
Handguns	2
Cash and assets	$4 Million

Project Longhaul

As the logical extension to Project Blizzard, Longhaul was initiated in January, 2003 and was a five month investigation into the marihuana, ecstasy and ephedrine distribution and transportation from British Columbia to Ontario, along with exportation of drugs to the United States.

In collaboration with the Drug Enforcement Section of the Ontario Provincial Police, OCABC investigators initially targeted drug traffickers in Toronto, Ontario. However, during the project, officers learned that high level organized crime figures were shipping their marihuana and other drugs to drug importers/exporters in Ontario *via* commercial tractor/trailers.

Eventually, the investigation expanded to include exportation of marihuana, ecstasy and ephedrine to the United States and the importation of cocaine from the United States into Ontario.

This investigation extended from Vancouver, B.C. to Sacramento, California; Tennessee State; Port Huron, Michigan; Boston, Massachusetts; Detroit, Michigan; Seattle, Washington; Toronto, Ontario; Brampton, Ontario; and Calgary, Alberta.

The following summarizes the seizure of contraband and assets made through Project Longhaul:

Item Seized	Quantity of Seizure
Cocaine	161 kilograms
Ecstasy	20,000 tablets
Ephedrine	218.2 kilograms
Cannabis Marihuana	3,872.3 pounds
Handguns	2
Canadian Currency	$2.8 Million
US Currency	$1.7 Million

The following legal action has been taken to date:

- Charges are pending against four individuals in British Columbia;
- Charges have been laid against eight individuals in Calgary;
- Indictments are pending against thirteen individuals in the United States; and
- One individual has been convicted in California and received nineteen years in prison.

Project Longhaul II

Concurrently with its namesake project, Longhaul, this investigation focused on marihuana trafficking and trans Canadian shipments of marihuana that were believed to be bound for the United Sates. This project was the direct result of a partnership with Canada Customs and Revenue Agency (CCRA) and the Vancouver Police Department Criminal Intelligence Section (VPDCIS). As with Project Longhaul, the targets of this project were shipping hundreds of pounds of BC Bud (hydroponically grown BC marihuana) to Ontario and eventually to eastern Canada and the United States *via* intermodal railway container units. The container units were used as a carefully thought out plan to avoid detection of the transfer of such large quantities of drugs.

The following summarizes the seizures made as a result of this work:

Item Seized	Quantity of Seizure
Cannabis marihuana	1,595 pounds
Cannabis marihuana clones	461 plants
Handguns	2
Machine pistol	1
Canadian currency	$1.1 Million
US currency	$ .3 Million

As a result of the investigation, the following legal action resulted:

- Charges are pending against three individuals for conspiracy to commit a number of offences under the *Controlled Drugs and Substances Act* (i.e., to traffic, import and export drugs).
- Charges are pending for six individuals for offences under the *Controlled Drugs and Substances Act*.
- The OCABC investigation has supported several indictments in the United States.

Project Ruby

This investigation was only twenty-seven days long; however, it resulted in both asset and contraband seizures, along with numerous criminal charges.

Beginning in June 2003 with the exportation of BC Bud to the United States, this project led investigators to the importation of cocaine from the United States to Canada.

Of particular significance is the fact that the investigation alerted OCABC officers to the involvement and subsequent charging of a full patch member of the Hell's Angels Outlaw Motor Cycle Gang.

As with all the other OCABC investigations, this project resulted in intelligence sharing with our other Canadian and US law enforcement partners.

In spite of the fact that this was an extremely brief investigation, the following was seized:

Item Seized	Quantity of Seizure
Cocaine	52 kilograms
Female marihuana plants, along with a corresponding grow operation	240 plants
Canadian currency	$10,000

The following legal action has been taken:

- Charges have been laid against two individuals in BC. One of these individuals is a full patch member of the Hell's Angels Nomads Chapter; and
- Six individuals have been indicted in the US.

Project Get Fit

Project Get Fit was a drug investigation where no charges were laid; however, officers were able to seize a total of $887,330 in Canadian dollars. So far, $587,330 has been ordered by the court to be forfeited to the Crown. A decision on the remaining $300,000 is pending.

Strategic Goal #3—Asset Seizures

Disrupt and suppress organized crime groups through asset forfeitures and elimination of money laundering schemes.

The total seizures to date for the Agency in the past fiscal year was $6.8 Million (Canadian) and $1.7 Million (US).

Strategic Goal #4—Accountability

OCABC continues to be an effective, accountable and fiscally responsible organization.

The Agency remains accountable to all stakeholders. For the fiscal year ending March 31, 2004, all expenditures were within budget. OCABC has realized an excess of revenues over expenses for the year. Financial results have been audited by external auditors.